The New Workplace Report

A Business Balancing Act

okta

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Introduction

The future of work has changed forever.

Over the past year, our lives have been upended, presenting both challenges and opportunities. We've learned to cope with intense work schedules dictated by marathon video meetings and inviting our colleagues and customers into our most personal spaces. The global shift to remote work has transformed the way we live and operate, causing long-lasting implications for the future.

The question is, what does this mean for businesses now?

Our last research study, conducted in May 2020, predicted we "would never go back to normal". A year later, this prediction is a certainty. Our new report looks at the effects of the past 14 months on the next year and beyond, from an economic, professional and cultural perspective.

The goal for business leaders has shifted from temporarily managing a remote workforce to building a strong, employee-centric working experience for the future. This challenge, combined with our findings, marks the arrival of a new status quo; a new definition of the workplace, where we work wherever works.

Call it remote, hybrid, flexible or dynamic; businesses that want to stay competitive and attract the best talent need to re-evaluate traditional workplace frameworks. By shifting focus toward creating flexibility they can empower employees to be their most productive and successful selves, regardless of where they are.

At Okta, we've championed this concept even before the pandemic. In fact before March 2020 more than 30 percent of our employees worked remotely. In the past year, we've developed an internal framework to support remote work and build a more agile, flexible workstyle into our culture. It's a concept we hope will inspire other businesses and help guide them on their transformation journeys.

Our research shows the demand for the ability to work from anywhere at any time. For both business leaders and employees, however, there are barriers to overcome. Productivity remains a concern, as does collaboration. Businesses still face issues in providing sufficient tech and security measures to support a distributed workforce, in addition to preparing the readiness of the physical office.

In 2021, business leaders are faced with a unique challenge; a delicate balancing act of creating frameworks that enable employee empowerment, satisfaction and productivity without compromising business output.

This research shows one thing for certain - no one *workplace* fits all any more.

Methodology

This research survey follows the inaugural report titled '**The New Workplace. Re-imagining Work After 2020**' and was independently conducted for Okta by Censuswide, conforming to the **Market Research Society Code of Conduct**.

This research is based on a survey of over 10,000 office-based workers across eight European countries and 12 industry sectors, investigating the key issues with the current state of working and exploring perspectives on the future of work. All of the statistics used in this report, unless stated otherwise, are from the entire European cohort surveyed.

The insights gained have provided a deep understanding of how the workforce has changed from traditional nine to five office-based roles to remote, distributed working, and how working dynamics will continue to evolve post-pandemic.

Countries surveyed: France, Germany, Italy, Netherlands, Spain, Sweden, Switzerland and UK.
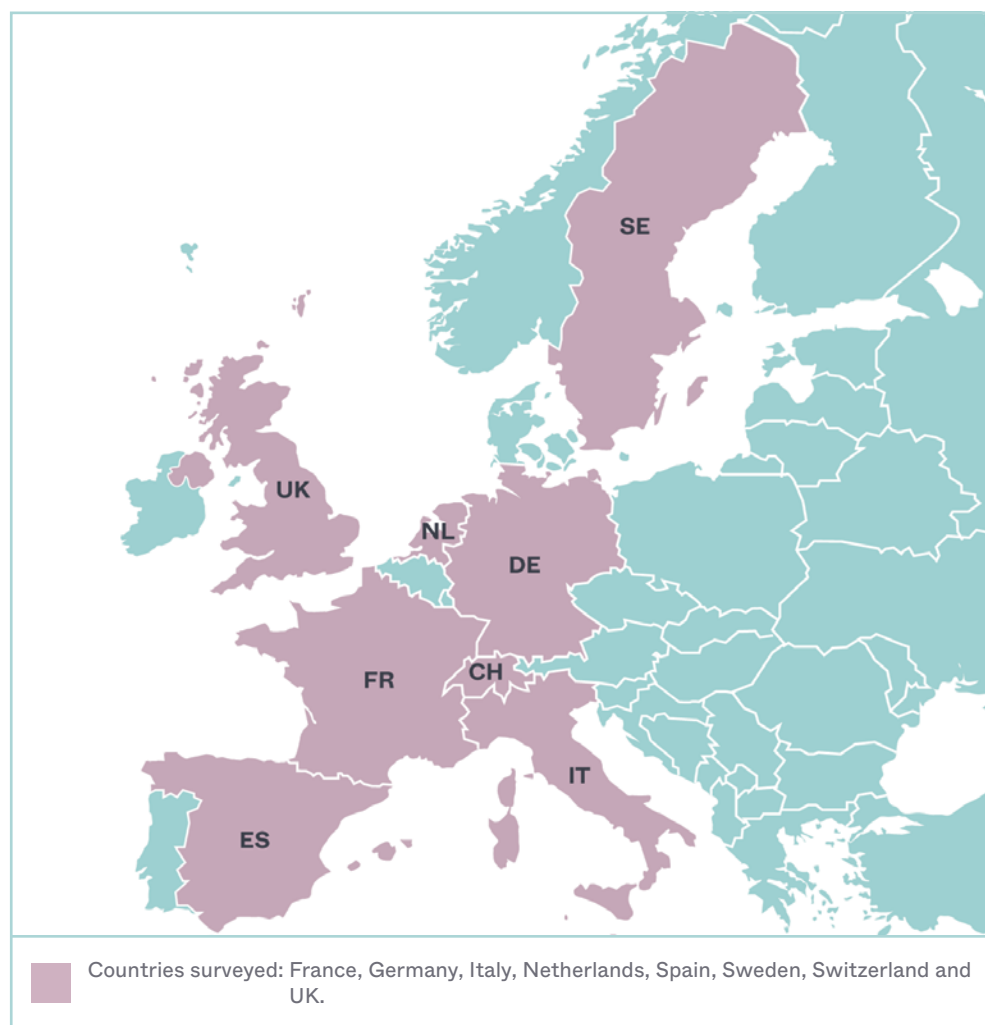
The New Dynamic Workplace

Remote, Flexible, Hybrid, Dynamic

The pandemic has proved that employees can work from home effectively on a mass scale. So it comes as little surprise that the desire to work remotely is on the rise. Across all respondents, 42 percent would like a mix of home- and office-based working, while 17 percent want to work from home permanently.

An additional year of remote working has also seen preferences evolve. In our 2020 study, 33 percent of workers from France and the Netherlands wanted to return to the office full-time. In 2021, this has dropped to 21 percent and 18 percent respectively. Sweden and the UK are least willing, with only 15 percent and 16 percent expressing interest in returning to the office on a permanent basis.

Despite this, 19 percent of European office workers would choose to work in the office five days a week. For some the novelty of remote working has worn off, and many are now looking forward to workspaces reopening. Last year's research found that 49 percent missed in-person conversations and 48 percent missed their relationships with colleagues, after only two months of working remotely. With another year having passed, employees now likely feel similarly.

When exploring working preferences, it's crucial to consider nuances by gender. **Nearly twice as many men as women** say working from home has positively impacted their careers. Additionally, our research shows that 19 percent of men would be happy to continue working from home forever, compared to 15 percent of women.

Dynamic work gives workers the ability to nurture their productivity through their own choices. While this concept may seem daunting for businesses at first, these decisions won't be as linear as they think. Some employees will naturally choose to work remotely and favour organisations who enable this lifestyle. While a large number still prefer the traditional office space, the majority wants both. This means it's down to businesses to secure the feasibility of all options.

In an ideal scenario, when the COVID-19 restrictions lift, how would you choose to work? Excludes two percent not applicable.


45%
34%
19%

41%
42%
15%

Hybrid working

Work from office

Work from home
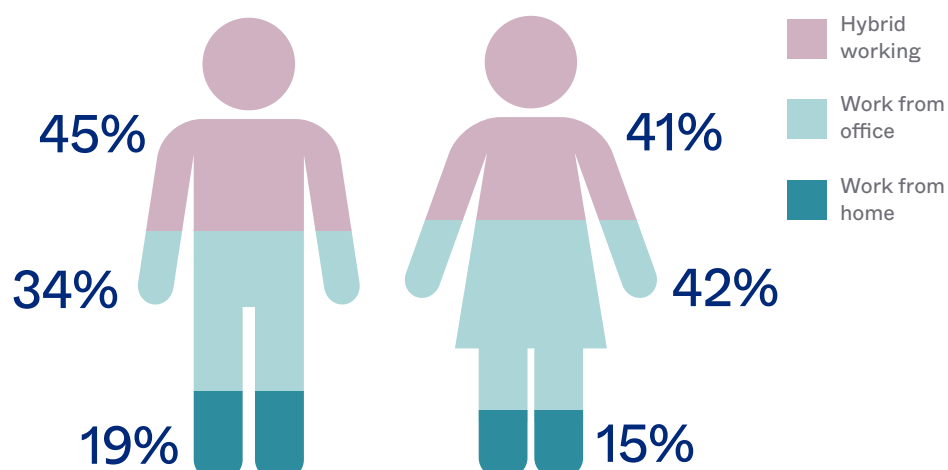
Work Anywhere,
Not Move Anywhere

Remote working decreases the need to be tied to the office and opens the opportunity to live and work from anywhere. While this concept sounds appealing for some, others feel content with their living arrangements, regardless of the freedom to uproot.

Given the option, 68 percent of office workers would choose to remain where they are. Over half (57 percent) feel happy with their current living space and 41 percent would like to remain close to family. Conversely, 24 percent would be willing to move somewhere else within their country, and just 7 percent would choose to move abroad.
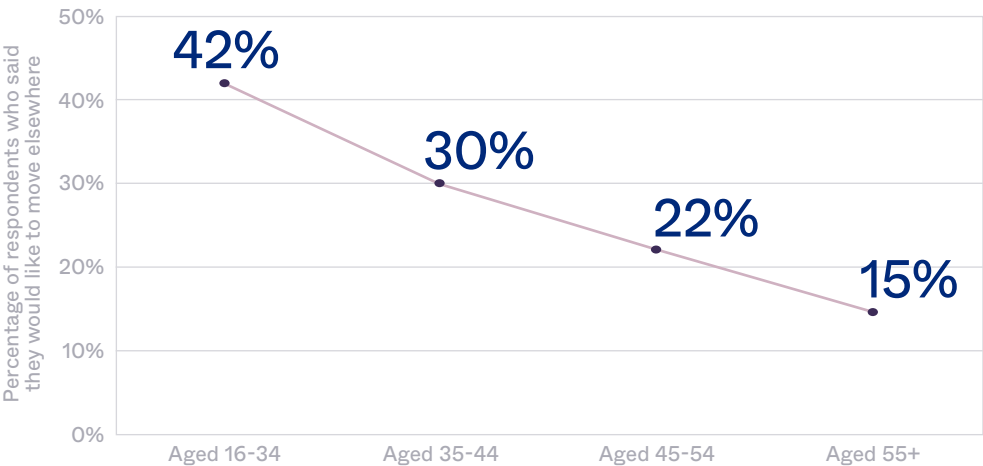
Reasons for either remaining or moving from their current location

41%
Remain close to family

7%
Move abroad
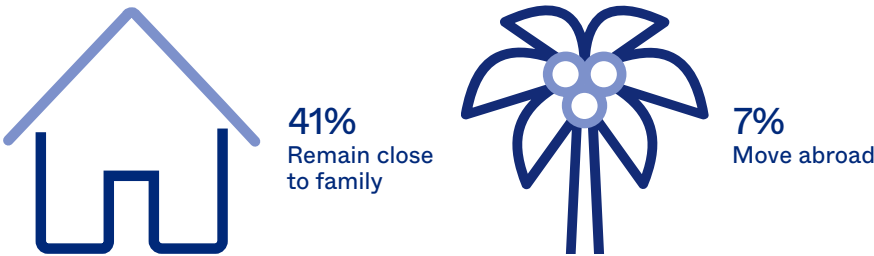
Generationally, those aged 45-54 (78 percent) and over 55 (85 percent) are more fixated on staying where they are. In contrast, 42 percent of 16-34s would move elsewhere. Across the board, our research shows a particular desire from younger office workers to gain more freedom in their working options, and the pandemic has only accelerated these expectations.

The onus now falls on businesses to find a way to keep workers of all ages satisfied and equipped with the right tools, whether they work from the office or a different country altogether.

Would you choose to move somewhere else from your current location if your employer changed to a fully remote work environment?

Percentage of respondents who said they would like to move elsewhere

Aged 16-34	Aged 35-44	Aged 45-54	Aged 55+
42%	30%	22%	15%

Vaccine Passports: The New Work ID?

Despite much of the media heralding the end of the office, it's highly unlikely this will happen anytime soon. In fact, physical office spaces are a staple of the work experience. Offices act as both a professional and cultural hub, while providing an important support system for those who find remote working challenging, such as employees with little space to work from home. As lockdown restrictions begin to ease, office safety measures are another component for business leaders to balance correctly.
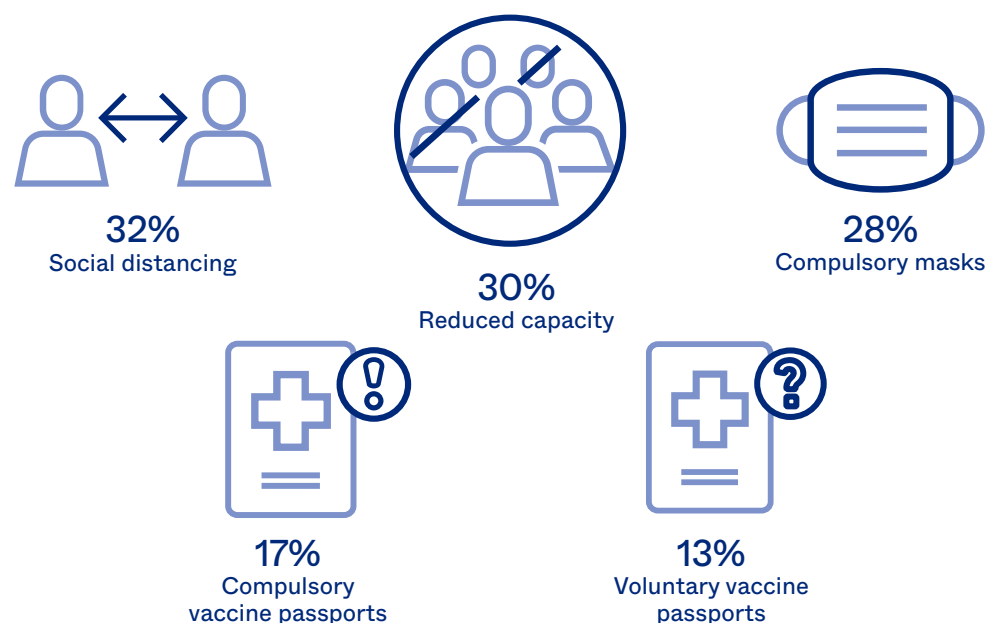
For the most part, helping employees feel safe in returning to the office is paramount. In order to do so, 32 percent favour social distancing measures, 30 percent would like a reduced number of people in the office, and 28 percent want compulsory mask-wearing.

Vaccinations also offer a route to normality. While the vaccine rollout is underway at various rates across Europe, many employees feel vaccine passports - digital IDs that prove vaccination status - would help them feel safe in returning to the office. While 17 percent favour compulsory vaccine passports, 13 percent would like voluntary options.

With governments and organisations developing their own vaccination initiatives, we need a way to ensure each independent passport can be trusted and recognised. This requires a simple and secure technology-driven registry to securely and efficiently deploy vaccine passports in the future.

Whether vaccine passports become a workplace staple or not, it's vital that any sensitive personal data, such as health status, is securely protected. Organisations should assess whether this falls within their remit, and if so, provide sufficient identity and access management to support this. This also includes correctly identifying potentially thousands of employees entering the corporate network, and providing them access, wherever they are in the world.

When restrictions begin to ease, what would help you feel safe in returning to the office?

32%
Social distancing

30%
Reduced capacity

28%
Compulsory masks

17%
Compulsory
vaccine passports

13%
Voluntary vaccine
passports

Nine to Five, Twelve to Eight, or Ten to Two?

Remote work - wherever, when and how - will undoubtedly play a large part in the future of work. But is this sufficient for employees? The past year has seen an increased desire for a more flexible method in the form of asynchronous collaboration, which eradicates fixed hours and enables individuals to determine their preferred schedule, workplace, and tools.

Given the opportunity, 60 percent of workers would choose to work in an asynchronized environment, rising to 66 percent of those aged between 25 and 34.

Reasons for this vary by workers' individual or team needs. 54 percent feel the ability to define their own hours would help them fit work around their personal lives, while 39 percent could spend more time with friends and family. A third (33 percent) also state feeling more productive at times outside of the nine to five working hours.

In contrast, 40 percent are happy working traditional hours and would not opt for asynchronous work, with 15 percent feeling less productive at other times. 31 percent also prefer to work at the same time as their colleagues, and 20 percent worry they wouldn't be able to collaborate in real-time with different schedules. Over half (52 percent) of those aged over 55 would prefer to work traditional hours.

For many industries that rely on fixed team schedules and locations, asynchronous work is not feasible, with healthcare (44 percent) and retail (43 percent) the top sectors for favouring their normal working patterns. But as demand increases, businesses should look at how they could support this way of working.

Technology will no doubt act as an enabler. It will enable employees to log in securely throughout the day, and ensure collaboration is as easily available as during traditional hours. Businesses should proactively provide safe access to applications and data, with the help of solutions like Privileged Access Management (PAM). This provides secure, user-friendly authentication and account provisioning, ensuring organisations can gain granular visibility into account activity.

If given the opportunity, would you choose to work in an asynchronized environment?

52% of those **aged 55+** want to work traditional hours

66% of **25-34 year olds** want asyncronized working

Digital Productivity Etiquette

In the new workplace, online communication tools are key to working as usual. Yet, building relationships via video over a significant period of time can take its toll for some. Leaders face the challenge of keeping the business running whilst alleviating the risk of plunging productivity and virtual meeting fatigue.

In most cases, video enables us to stay engaged, productive and connected; over half (54 percent) of office workers feel more engaged with their video on, while 22 percent feel more productive. Furthermore, 41 percent say that video interaction is a great way to foster relationships.

For others, prolonged meetings and a jam-packed diary prompt relevant coping mechanisms, such as switching off the camera for calls. In fact, only 10 percent of office workers choose to enable their video for 100 percent of their meetings, with the majority (53 percent) opting for a combination of having the camera on and off. This ability to switch helps 22 percent to multitask during meetings.

With the lines blurred between professional and personal lives, 21 percent feel that video calls invade their privacy, while 15 percent only have their video on if everyone else does. But, despite 10 percent feeling pressure from their boss or colleagues to turn their camera on during calls, a larger amount of workers (22 percent) say that their employer does not force them to do so.

This stands as another test to the business balancing act, whereby organisations need to assess the freedom of choice with professional demands. Employees' individual preferences and the rise of presenteeism, the act of turning up to work without being productive, are both factors that require consideration.

When determining video conferencing policies, leaders must foster an environment that encompasses different digital etiquettes, while meeting the professional requirements of the business. Further, leaders must entrust employees to choose their preferred digital etiquette to meet business output.

> "
>
> Nearly one in three European companies do not trust their remote employees can complete their work efficiently. This command and control managerial view of employees is counter-productive and creates unnecessary stress and burnout.
>
> Angela Salmeron
> Future of Work Lead, IDC Europe

Ultimately, technology that enables video conferencing helps. But used ineffectively, technology risks becoming a hindrance.

The Boundaries of Remote Work

Barriers and Bouncebacks

Most businesses had embarked on some form of digital transformation journey prior to the pandemic, but the move to remote work accelerated this more than anyone could have imagined. At the same time, it has highlighted inefficiencies in technological processes.

Despite more than a year of remote work, 35 percent are still not confident their technology would support them working abroad, while 65 percent are only somewhat confident.
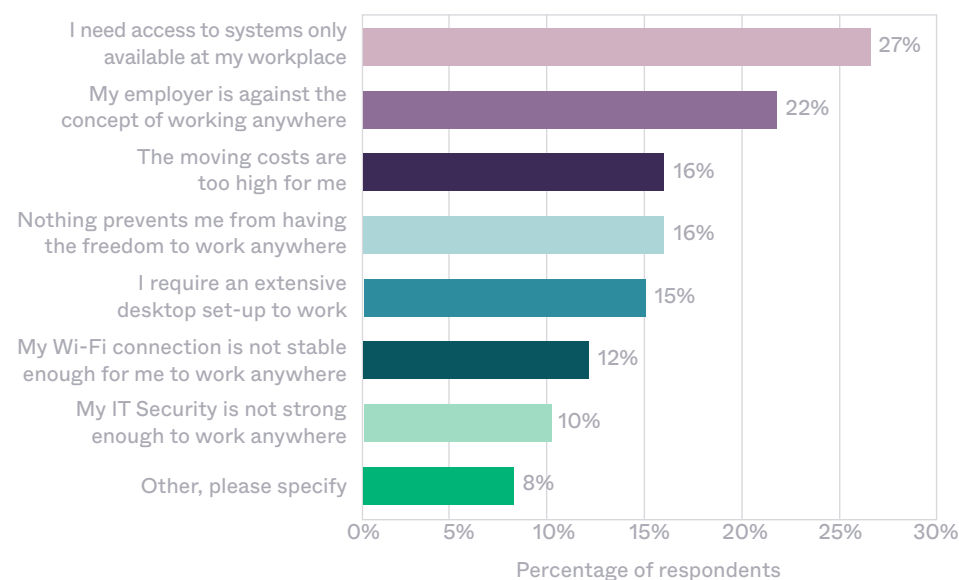
Over a quarter (27 percent) of office workers still rely on on-premise IT systems to be able to do their job. While on-premise has traditionally been viewed as the only option for easily and securely accessing business applications, this has long since been the case, with cloud-based solutions having evolved to meet the security demands of the modern workforce.

Positively, just 10 percent feel their IT security is not strong enough for them to work anywhere, indicating that most feel the measures in place are sufficient. This is particularly important in a remote world, where hackers have looked to exploit distributed workforces by targeting vulnerable employees. **Our research on Digital Trust**, conducted at the end of 2020, found that at the start of the pandemic, 38 percent were more wary of data breaches and 37 percent of phishing emails.

Security should always be a top concern for business leaders, but in a world where *we work wherever works*, this is more true than ever. Solutions like Single Sign-On allow for a single set of credentials, providing access to enterprise apps in the cloud, on-prem and mobile devices, to enable employees to securely access tools from wherever.

Functionality remains the most vital aspect of workplace technology. But individual user experience remains important. If employees don't trust their security, the door can be subconsciously left open for malicious actors to take advantage. After all, **88 percent of data breaches** are caused by human error.

Thinking about your professional needs, what prevents you from having the freedom to work anywhere

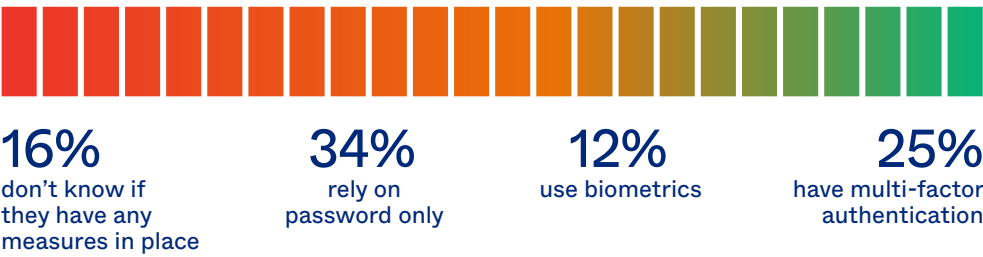| Category	Percentage
I need access to systems only available at my workplace	27%
My employer is against the concept of working anywhere	22%
The moving costs are too high for me	16%
Nothing prevents me from having the freedom to work anywhere	16%
I require an extensive desktop set-up to work	15%
My Wi-Fi connection is not stable enough for me to work anywhere	12%
My IT Security is not strong enough to work anywhere	10%
Other, please specify	8%

Percentage of respondents

Are The Days of Passwords Over?

If employees are to continue working from different locations, and potentially even different time schedules, organisations must brace for IT challenges. The reality is that many businesses are underprepared. In fact, 34 percent of office workers still rely on passwords as their one and only security measure, and 16 percent don't know if they have any measures in place, indicating a worrying disconnect between leaders and employees when it comes to security.

Just one quarter rely on more robust security solutions like multi-factor authentication, **which reduces the risk of a security breach by 75 percent**, and only 12 percent use biometrics. When building businesses for the future, leaders need to establish and maintain trust as a top priority. In order to do so successfully, they should adopt a modern and universal approach to identity and access management by leveraging technologies such as adaptive multi-factor authentication.

Malicious cyber attacks on businesses continue to make news headlines. But many organisations have yet to adopt security models which can truly protect who has access to their applications. Business leaders must adopt a proactive security approach that fits in with their working structure, keeping the right people in and the wrong people out. Passwordless authentication can help them strengthen their security, by reducing the majority of password-based attacks, including phishing, while driving efficiencies through the reduction of password management operational costs.

Security Strength

16%
don't know if they have any measures in place

34%
rely on password only

12%
use biometrics

25%
have multi-factor authentication

A Flexible Future

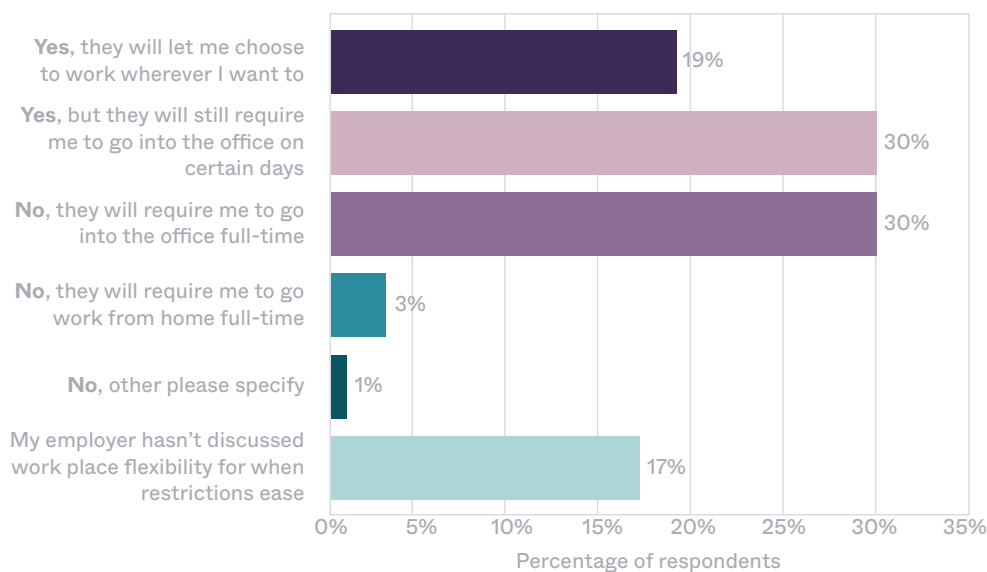## Employees Call the Shots?

Employees may demand flexibility. But, ultimately, the decision on whether to implement dynamic work lies with business leaders, and it's not a case of simply choosing between remote working or a return to the office.

When restrictions ease, 30 percent of respondents believe they'll be offered some flexibility with limitations, such as the requirement to go into the office on certain days. Another 30 percent believe they'll have to return to the workplace on a full-time basis. For 17 percent of office workers, employers are yet to discuss workplace flexibility for when restrictions ease.

However, for industries where employee presence at the workplace is crucial, most employers expect a full-time return to the office. For example, in sectors such as retail, catering, leisure, travel, transport, and manufacturing, 39 to 41 percent of employees will be required to return to the 'office'. More flexibility appears to be on the cards for other industries. For employees working in finance, 45 percent anticipate going into the office on certain days, which was also shared by 42 percent of IT and telecommunications employees. An additional third (33 percent) of IT and telecommunications employees believe they will have the freedom to work wherever they want.

However, those organisations unwilling to offer employees a dynamic way of working risk losing out in the war on talent. According to **research backed by the UK Government**, flexible work offerings in job adverts increases applications by up to 30 percent. New waves of skilled workers will look for roles which offer them flexibility, avoiding those who stand rigidly by the traditional office-based environment. Further, existing employees will have more freedom to switch to similar organisations with preferred working policies.

Do you expect that your employer will offer flexibility when restrictions ease

Response	Percentage
Yes, they will let me choose to work wherever I want to	19%
Yes, but they will still require me to go into the office on certain days	30%
No, they will require me to go into the office full-time	30%
No, they will require me to go work from home full-time	3%
No, other please specify	1%
My employer hasn't discussed work place flexibility for when restrictions ease	17%

Percentage of respondents
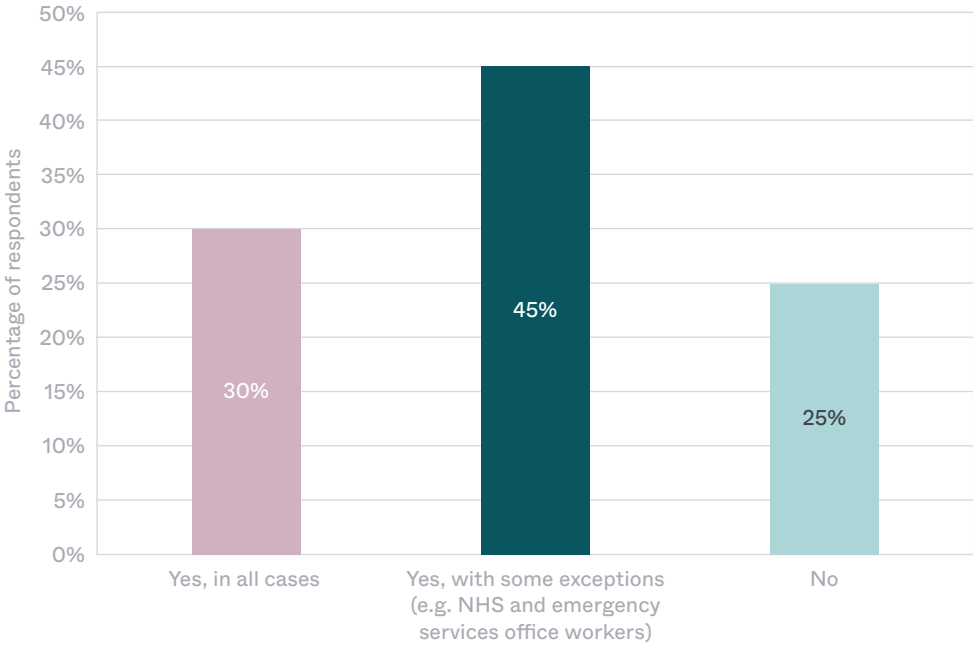
In the Dark on Workplace Legislation

It's possible that some business leaders may never be swayed towards long-term dynamic working. However, new legislation could take this decision away from employers.

Calls for the '**Right to Disconnect**', which gives employees the ability to switch off from communications outside of normal working hours, have gained traction. This legislation is currently under consideration in multiple countries, and across the European Union. In addition, the '**EU Rights to Work-life Balance**' is currently under review. If passed, it means that EU citizens could have the right to request flexible working from their employer.

The majority of office workers are in favour of some form of flexibility, so it's no surprise that three-quarters (75 percent) agree with legislation that would make it illegal to be forced to work from the office. Despite this, 24 percent are unaware of any plans for workplace legislation, and a further 20 percent report that their employer hasn't mentioned proposed changes.

From a country-by-country perspective, there are cultural differences in opinion on readiness. Indeed, 33 percent of office workers in Spain and 32 percent in Italy say their employer is preparing or already prepared to comply with legislation changes. However nearly a quarter (24 percent) in the UK claim they have yet to discuss the matter, and 29 percent of Swedish employees are unaware of any upcoming legislation, despite being part of the EU.

Would you agree with legislation changes which make it illegal for employers to force employees to work from the office?

Bar chart — Percentage of respondents:
- Yes, in all cases: 30%
- Yes, with some exceptions (e.g. NHS and emergency services office workers): 45%
- No: 25%

Securing the New Workplace

Evidently, there is a strong demand for flexibility and no seemingly perfect 'one size fits all' approach. On the route to a more flexible work framework, businesses must balance multiple components first, as evidenced by this research.

Leaders are tasked with utilising video conferencing tools to remain productive and functional, encompassing all forms of digital etiquette. They need to give employees the ability to work where, when and how they choose, within reason. On top of that, they have to prepare the office for reopening and implement new measures to help employees feel safe, all while encouraging remote collaboration.

Most importantly, leaders must securely protect data, and maintain strong security practices and policies across the board as a top priority. While the action list may seem formidable, technology can help ease the load.

Okta acts as an identity partner and enables businesses to establish a single identity architecture in a Zero Trust, cloud-based environment. This approach securely connects the right people to the right technologies at the right time - applying to remote and on-premise teams. This establishes trust between businesses and employees, and increases business' confidence while protecting data, customer and employee privacy. With seamless access to resources and unifying all business apps, cloud and on-prem, into one streamlined portal, employees can bring their best, most productive selves to work.

> "
> One in five European companies quote security restrictions to access essential work resources as the main obstacle for productivity. It is surprising that, after a year of pandemic, IT departments are still failing to provide critical security solutions for business continuity.
>
> Angela Salmeron
> Future of Work Lead, IDC Europe

With technology, businesses can strike the balance. And by doing so, the future of work is undoubtedly dynamic.

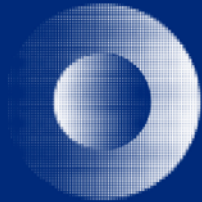Identity is the foundation to build trust-based, secure organisations.

Okta supports **thousands of organisations** to reduce IT admin, work faster and keep employees secure. **Learn how** leading companies like WPP have transitioned to a new workplace with Okta.

Sign up for a **free 30-day trial** of Okta Identity Cloud and get started in as little as 10 minutes.

FREE OKTA TRIAL

Protect and empower your workforce

Try the Okta Identity Cloud free for 30 days

About Okta

Okta is the leading independent identity provider. The Okta Identity Cloud enables organizations to securely connect the right people to the right technologies at the right time. With more than 7,000 pre-built integrations to applications and infrastructure providers, Okta provides simple and secure access to people and organizations everywhere, giving them the confidence to reach their full potential. More than 10,650 organizations, including JetBlue, Nordstrom, Siemens, Slack, T-Mobile, Takeda, Teach for America, and Twilio, trust Okta to help protect the identities of their workforces and customers. To learn more, visit **okta.com**.

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